

Testimony of Sunlight Solar Energy  
**Regarding SB 1, *An Act Concerning Connecticut's Energy Future***

Before the Energy and Technology Committee

March 15, 2011

Submitted by Carolyn Humphreys

Dear Senator Fonfara, Representative Nardello, and members of the Energy and Technology Committee,

I submit this testimony regarding SB 1, AAC Connecticut's Energy Future, on behalf of Sunlight Solar Energy, a solar design and installation company in Milford.

We are grateful and optimistic about the creation of DEEP, PACE financing and SREC's. However, there are two important points that concern me—the Alternative Compliance Payment (ACP) cap reduction and the reclassification of large hydro. I also would like to see the inclusion of language addressing the necessity of regulating CT's random permitting costs and archaic licensing process as it would help to significantly reduce installation costs for CT ratepayers and allow PV in CT to more quickly reach the cost parity California recently achieved for 3<sup>rd</sup> tier rate payers.

It is my understanding that data collected from states with REC programs indicates the cap needs to be at least \$400 to be appreciably effective. The reduction from \$500 (or \$600) to only \$350 was too great. I respectfully request the cap be increased to \$450. This number is low compared to states with successful programs. But it is my hope that a request for a small increase will significantly improve our chances of success.

Additionally, Section 8, subsection (26) reclassifies existing large hydropower as a Class 1 Renewable resource. The previously inclusion of only small, newly-built, "run-of-river" hydropower meant less damage to our rivers and kept the focus on developing new sources of clean, eco-system friendly renewable energy.

If large hydropower facilities are swept into the definition of Class 1 Renewable energy resources, then existing, out-of-state hydropower facilities will crowd out truly renewable energy sources from being able to satisfy the state's Renewable Portfolio Standard (RPS). This would result in less demand for the current Class 1 Renewables, which include solar, wind, geothermal, tidal, small hydro, sustainable biomass and fuel cells, and far less incentive to develop new generation capacity using these technologies. In Connecticut, this sector is largely made up of businesses with a tight bottom line. Moving the large chunk of the market share that the RPS represents from these businesses to big hydro would undoubtedly hurt the sector.

Leaders in the clean energy business sector need assurance of stability and continued demand to plan and hire additional staff. This bill has many strong points that will create opportunities for clean energy and efficiency businesses. I urge you to alter section 8 (26) to eliminate the reclassification of large hydro, in order to maximize the bill's benefits to Connecticut's small businesses and renewable energy sector. And please consider increasing the ACP cap to \$450.

Thank you for time and efforts.

Warmest Regards,

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